



Department of Medical Assistance Services  
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Richmond, Virginia 23219

[www.dmas.virginia.gov](http://www.dmas.virginia.gov)

# MEDICAID MEMO

TO: Department of Medical Assistance Services  
(DMAS) Participating Providers  
and Managed Care Organizations

FROM: Patrick W. Finnerty, Director  
Department of Medical Assistance Services

DATE: March 5, 2008

SUBJECT: **National Provider Identifier (NPI) Compliance Begins May 23, 2008**

DMAS has adopted the NPI as the standard for identifying all healthcare providers on all transactions (Automated Response System, Claims, Medicare Crossovers and Prior Authorizations), including paper claim submissions. DMAS assigns Atypical Providers (Non-healthcare as defined by CMS), who are not eligible for an NPI, a ten-digit Atypical Provider Identifier (API) to use in lieu of an NPI.

## **NPI COMPLIANCE BEGINS MAY 23, 2008**

Effective May 23, 2008, DMAS will process only claims having an NPI or API. Legacy (9-digit) Medicaid Provider Identification Numbers (PINs) will no longer be used to adjudicate claims, and therefore should not be placed on your claims submitted to DMAS.

Claims received after May 22, 2008 with only a Legacy Medicaid PIN will be denied for either Edit Reason 1364, "Service NPI Not Found on Claim" or Edit Reason 1365, "Billing NPI not Found on Claim."

## **SHARING YOUR NPI**

Providers must obtain their NPI from the National Plan and Provider Enumeration System (NPPES) (<https://nppes.cms.hhs.gov>).

Sharing the NPI with DMAS and obtaining the NPI from NPPES are two separate and distinct actions. As a healthcare provider, you should have already obtained an NPI from NPPES and enrolled your NPI with DMAS by responding to the NPI Re-Enrollment Packet or NPI Group Practice Enrollment Packet DMAS previously mailed to you.

Providers who have not shared their NPI with DMAS should do so immediately. Your complete NPI Re-Enrollment Packet must be received by **May 5, 2008**, to ensure it is processed prior to the May

23, 2008, cutoff date. To ensure there is no disruption to participation or cash flow, you are strongly encouraged to complete their NPI Re-Enrollment Packet and send it to the First Health Provider Enrollment Unit (PEU) immediately. For a replacement copy of your NPI Re-Enrollment Packet, contact the First Health PEU at (888) 829-5373 (toll free).

**If you have not shared your NPI with DMAS, your claims will be denied.**

If you are a Group Practice, and not all of your participating providers have obtained their NPI or signed their Reassignment of Benefits Form, you are strongly encouraged to send in what you have completed. This will allow DMAS to enroll your group, including those providers that have submitted complete information, so that you are ready to transact business for those providers. You can always add (or delete) additional provider NPIs, as necessary.

**BILLING INFORMATION**

Effective May 23, 2008, claims (UB-04, 837I, CMS-1500, 837P and the DMAS 30/31) will no longer require the submission of Legacy Medicaid PINs. The claims-form locators will require either the NPI or the API and will no longer be processed using a Legacy Medicaid PIN. Please refer to Attachment A and B for a quick reference guide to specific NPI/API locators.

**DMAS is requiring taxonomy codes to be included on the claim in some situations.** Previously, DMAS was able to assign a unique Legacy Medicaid PIN to a provider for each type of service provided (for example, home health and personal care, pharmacy and durable medical equipment/supplies). When a provider obtained one NPI to use in place of two or more Legacy Medicaid PINs, it became necessary to include a taxonomy code on the claim submission that corresponds to the type of service billed in order for the claim to pay and process correctly. If you are a provider who was affected by this change, more information can be found at:

[http://www.dmas.virginia.gov/downloads/pdfs/npi\\_DMAS\\_TaxonomyCodeSummary.pdf](http://www.dmas.virginia.gov/downloads/pdfs/npi_DMAS_TaxonomyCodeSummary.pdf)

DMAS is also requiring the use of nine-digit ZIP codes on all claim submissions for all locations where an address is required. DMAS will need this information only if the payment is based on the location of the Rendering (Servicing) Provider. Please refer to the Provider Manuals and Electronic Data Interchange (EDI) Companion Guides for detailed electronic billing instructions:

- Provider Manuals: [http://www.dmas.virginia.gov/prm-provider\\_manuals.htm](http://www.dmas.virginia.gov/prm-provider_manuals.htm)
- EDI Companion Guides: <https://virginia.fhsc.com/hipaa/CompanionGuides.asp>

DMAS will accept the Legacy Medicaid PIN only in very limited situations from providers who **do not** have an NPI (for example, because the provider has retired), **and** if the date(s) of service on the claim is prior to May 23, 2008. These situations will be researched and handled on an individual basis. In this situation, a claim or adjustment with a Legacy Medicaid PIN must be submitted on a paper claim form and mailed to:

Department of Medical Assistance Services  
Manager, Payment Processing Unit, Division of Program Operations

600 E. Broad Street, Suite 1300  
Richmond, VA 23219-1856

## **GROUP BILLING**

**Group Practices must begin billing as groups no later than May 23, 2008.**

Providers must submit the Group's organization Type-2 NPI as the Billing Provider and the practitioner's individual Type-1 NPI as the Rendering (Servicing) Provider on all claim submissions. Groups billing incorrectly will have their claims denied effective May 23, 2008.

**Please note that a taxonomy code should never be sent for the Billing Provider when the billing provider is a Group Practice. If sent, the taxonomy code should be associated with the Rendering (Servicing) Provider. Sending a taxonomy code for a Group Practice provider on an electronic claim will result in rejection of the claim(s).**

## **ELECTRONIC FUNDS TRANSFER (EFT)**

Providers, who desire to have their payments directly deposited into their bank account, should go to the DMAS website at <http://www.dmas.virginia.gov/SEARCH.ASP>, then enter EFT in the field labeled "Title," then select the Search button. Download and complete the EFT Participation Agreement and submit the completed form to First Health PEU. Please contact the First Health PEU at (888) 829-5373 (toll free) if you have any questions or concerns related to EFT.

## **MEDICARE CROSSOVER CLAIMS**

Medicare Crossover claims processed with NPIs that are not enrolled with DMAS will be denied effective May 23, 2008. In order for Medicare Crossover Claims to be paid, NPIs used on claims submitted to Medicare must be enrolled with DMAS. Currently, DMAS links the Medicare PIN (Vendor) to our Legacy Medicaid PINs through a crosswalk in order to process certain Medicare Crossover claims. **DMAS will no longer be able to perform this crosswalk effective May 23, 2008.** Providers that currently have units, departments, or locations that are enrolled with Medicare, but are not currently enrolled with DMAS will need to enroll those NPIs with DMAS as Medicare Crossover-Only providers.

DMAS cannot control when a claim crosses over from Medicare. Providers are strongly encouraged to coordinate this transition with billers and Clearinghouses to ensure no disruption in cash flow on claims crossed over from Medicare.

Providers that need to enroll as Medicare Crossover Only providers should go to the DMAS Provider Enrollment web page <http://www.dmas.virginia.gov/search.asp?Userid=2&type=8> to obtain the Medicare Crossover Qualified Medicare Beneficiary (QMB) provider enrollment form.

## **PHARMACY**

A Medicaid Memorandum with the specific pharmacy claims-processing guidelines for pharmacy and prescribing providers will be released soon. **Please note that pharmacy providers are responsible for obtaining and submitting prescribers' NPIs when processing pharmacy claims.** We urge pharmacy providers to **immediately** begin using their Provider NPIs, and the Prescriber's NPI on all DMAS pharmacy claims.

There are several resources available to identify the appropriate NPI for prescribers:

- **CMS/ NPES Registry** - <https://npes.cms.hhs.gov/NPES/> (searchable database) OR <http://npesdata.cms.hhs.gov/> (to download file)
- **DMAS Prescriber Identification List** - [http://www.dmas.virginia.gov/pr-provider\\_no.asp?redir=pr-prescriber\\_id\\_list.htm](http://www.dmas.virginia.gov/pr-provider_no.asp?redir=pr-prescriber_id_list.htm)

In addition, prescribers may assist by clearly writing or printing their NPI on prescriptions. Please contact the First Health Clinical Call Center at (800) 932-6648 for questions related to the use of NPI in pharmacy claims processing.

### **PRIOR AUTHORIZATIONS**

Providers do not need to take action on existing Prior Authorizations (PAs) when service dates begin prior to May 23, 2008 and contain Legacy Medicaid PINs, even when the NPI/API is being submitted on the claim. If a PA was obtained with a Legacy Medicaid PIN that spans over May 23, 2008, the claims must be billed using the NPI for claims received by DMAS on or after May 22, 2008. A crosswalk is in place to match claims submitted with an NPI to PAs obtained with a Legacy Medicaid PIN. If a PA is obtained with an NPI, the claims must be billed with the NPI regardless of the date of service or the date the claim is received by DMAS. If the PA begin date is on or after May 23, 2008, the provider must submit the PA request and claim using the NPI.

All PAs should be requested using the Rendering (Servicing) Provider's NPI. PAs should not be requested using the Group Practice's organization NPI; and claims will deny if it is obtained with a Group NPI.

Please contact KePRO at (804) 622-8900 (Richmond area) or (888) 827-2884 (Toll-free), if you have questions.

### **ADVANCE PAYMENT REQUEST**

DMAS will not issue advance payments to providers who have not:

- obtained an NPI
- shared the NPI with DMAS
- implemented changes in order to bill using their NPI
- billed correctly using their NPI

DMAS will issue advance payments only as a result of DMAS systems issues that result in incorrect or non-payment of claims.

## **CLAIMS STATUS INFORMATION**

Effective May 23, 2008, the web-based Automated Response System (ARS), MediCall, and the EDI Batch 276/277 must be accessed using your NPI/API. Claims status information requested using the NPI will return all claims that match the request criteria on the response, including claims submitted with the NPI **and** claims submitted with the Legacy Medicaid PIN.

## **NEGATIVE BALANCES**

DMAS has identified outstanding provider negative balances associated with Legacy Medicaid PINs that have not yet been transferred to newly assigned NPI and/or APIs in DMAS' claims system. DMAS will automatically transfer all outstanding negative balances from Legacy Medicaid PINs to your NPI/API effective May 23, 2008. If you have questions about your negative balances, you can contact the Provider Helpline at (800) 552-8627.

## **NPI TRAINING AND EDUCATION**

DMAS is conducting Web-based Q&A sessions on topics associated with NPI including group billing, taxonomy, claim forms (UB-04 and CMS-1500), ARS, and other NPI-related topics. Visit the DMAS Learning Network at [http://www.dmas.virginia.gov/LN-upcoming\\_events.htm](http://www.dmas.virginia.gov/LN-upcoming_events.htm) for additional details about the new "WebEx" Web-based training as well as other DMAS training opportunities.

DMAS has a comprehensive NPI section on the DMAS website. Visit [http://www.dmas.virginia.gov/npi-home\\_page.htm](http://www.dmas.virginia.gov/npi-home_page.htm) often for answers to frequently asked questions and NPI-related updates.

## **CONTACT INFORMATION**

Should you encounter problems using the NPI, the following resources will be available to assist you:

### **Claims Status, Recipient Eligibility, MediCall**

DMAS Provider Helpline:	(804) 786-6273	Richmond area and Outside Virginia
	(800) 552-8627	In-state, toll-free

### **EDI**

First Health EDI Help Desk (800) 924-6741

### **Prior Authorizations**

KePRO	(804) 622-8900	Richmond area
	(888) 827-2884	Toll-free

### **Provider Enrollment**

First Health PEU	(888) 829-5373	Toll Free (In-state and Outside Virginia)
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Medicaid Memo: Special

March 5, 2008

Page 6

Point of Sale Inquiries and Pharmacy Prior Authorizations

First Health Clinical Call Center (800) 932-6648

Automated Response System (ARS)

First Health Services Web Support Call Center (800) 241-8726

Dental Providers

(888) 912-3456

**Attachment A**  
**NPI Quick Reference**

**Providers billing on the UB-04:**

Locator 56 - Enter the NPI of the Rendering (Servicing) Provider

Locator 76 - Enter the NPI of the attending physician who is responsible for the overall care or treatment.

Locator 77 - Enter the NPI of the operating physician who is directly responsible for the surgical procedure entered on the claim.

Locator 78 - For a MEDALLION or Client Medical Management (CMM) recipient, enter the NPI of the Primary Care Physician (PCP) who authorized the inpatient or outpatient service.

- Enter the NPI of the Nursing Facility that a hospice recipient is a resident.

**Providers billing on the CMS-1500:**

Locator 17b - Enter the NPI of the referring provider, if applicable. The NPI will be required in this locator for the Primary Care Physician for MEDALLION and Client Medical Management recipients.

Locator 24I (red shaded area) - Enter the 'ZZ' qualifier to indicate that a taxonomy code, if applicable, is in locator 24J (red shaded area)

Locator 24J (red shaded area) - Enter the provider-taxonomy code, if needed, for DMAS to select the type of provider.

Locator 24J (open white area) - Enter the NPI of the Rendering (Servicing) Provider. If you are a group billing provider, this is the locator for the Type-1 NPI of the Rendering (Servicing) Provider.

Locator 32a - Enter the provider's NPI for the location where the service was provided. Enter the address (with 9-digit ZIP code) where the service was provided in locator 32. Note: DMAS will need this information only if the payment depends on the location of the Rendering (Servicing) Provider.

Locator 32b - Enter the 'ZZ' qualifier immediately followed by the provider taxonomy code of the Rendering (Servicing) Provider indicated in locator 24J (open area).

Locator 33a (open area) Enter the NPI of the Billing Provider. If you are billing as group, this is where you enter the Type-2 NPI.

**Providers billing on the Title XVIII - Medicare Part B (DMAS-30R 05/06):**

Locator 01 - Enter the NPI of the Billing Provider. This is also the location of the Group Billing Type 2 NPI for billing groups or

Locator 06 - Enter the NPI for the Rendering (Servicing) Provider. This is the location for the Group Type-1 NPI for a billing group.

Further information and more details for billing requirements can be found in the Provider Manual available on the DMAS web site.

**Attachment B**  
**API Quick Reference**

**Providers billing on the CMS-1500:**

Locator 17b - Enter the NPI of the referring provider. The NPI is required in this locator for the Primary Care Physician for MEDALLION and Client Medical Management recipients.

Locator 24I (red shaded area) - Enter the '1D' qualifier to indicate that an API is in locator 24J (red shaded area)

Locator 24J (red shaded area) - Enter the API of the Rendering (Servicing) Provider

Locator 32b - Enter the '1D' qualifier immediately followed by the API for the location when the service was provided. Enter the address (with 9-digit ZIP code) where the service was provided in locator 32. Note: DMAS will only need this information if the payment is based on the location of the Rendering (Servicing) Provider

Locator 33b - Enter the '1D' qualifier immediately followed by the API for the Billing Provider. The API entered here is usually the same as the number in locator 24J (red shaded area).

**Providers billing on the Title XVIII - Medicare Part B (DMAS-30R 05/06):**

Locator 01 - Enter the API of the Billing Provider.

Locator 06 - Enter the API of the Rendering (Servicing) Provider.

Further information and more details for billing requirements can be found in the Provider Manual available on the DMAS web site.